

# House File 427 - Introduced

HOUSE FILE \_\_\_\_\_  
BY LUKAN, CLUTE, MAY, RAYHONS,  
BAUDLER, and DEYOE

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act adding one-half unit of personal finance literacy to the  
2 education program school districts and accredited nonpublic  
3 schools must offer in grades nine through twelve and providing  
4 a future effective date.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
6 TLSB 2286HH 82  
7 rn/es/88

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1 1 Section 1. Section 256.11, subsection 5, Code 2007, is  
1 2 amended by adding the following new paragraph:  
1 3 NEW PARAGRAPH. k. One-half unit of personal finance  
1 4 literacy, the curriculum of which shall include but not be  
1 5 limited to the use of common banking instruments such as  
1 6 checking accounts; credit; debit cards; compound interest;  
1 7 mortgage, auto, and personal loans; investment basics,  
1 8 including stocks, bonds, and index funds; credit scores;  
1 9 budgeting; saving and debt management; retirement planning and  
1 10 savings; and insurance. All students shall complete at least  
1 11 one-half unit of personal finance literacy as a condition of  
1 12 graduation.  
1 13 Sec. 2. STATE MANDATE FUNDING SPECIFIED. In accordance  
1 14 with section 25B.2, subsection 3, the state cost of requiring  
1 15 compliance with any state mandate included in this Act shall  
1 16 be paid by a school district from state school foundation aid  
1 17 received by the school district under section 257.16. This  
1 18 specification of the payment of the state cost shall be deemed  
1 19 to meet all the state funding-related requirements of section  
1 20 25B.2, subsection 3, and no additional state funding shall be  
1 21 necessary for the full implementation of this Act by and  
1 22 enforcement of this Act against all affected school districts.  
1 23 Sec. 3. EFFECTIVE DATE. This Act takes effect July 1,  
1 24 2008.

## EXPLANATION

1 25  
1 26 This bill adds a one-half unit course in personal finance  
1 27 literacy to the educational program each school district and  
1 28 accredited nonpublic school is required to offer in grades  
1 29 nine through 12, and requires all students to take the course  
1 30 as a condition of graduation. The personal finance curriculum  
1 31 includes the use of common banking instruments such as  
1 32 checking accounts; credit; debit cards; compound interest;  
1 33 mortgage, auto, and personal loans; investment basics  
1 34 including stocks, bonds, and index funds; credit scores;  
1 35 budgeting; saving and debt management; retirement planning and  
2 1 savings; and insurance.  
2 2 The bill may include a state mandate as defined in Code  
2 3 section 25B.3. The bill requires that the state cost of any  
2 4 state mandate included in the bill be paid by a school  
2 5 district from state school foundation aid received by the  
2 6 school district under Code section 257.16. The specification  
2 7 is deemed to constitute state compliance with any state  
2 8 mandate funding-related requirements of Code section 25B.2.  
2 9 The inclusion of this specification is intended to reinstate  
2 10 the requirement of political subdivisions to comply with any  
2 11 state mandates included in the bill.  
2 12 The bill takes effect July 1, 2008.  
2 13 LSB 2286HH 82  
2 14 rn:nh/es/88